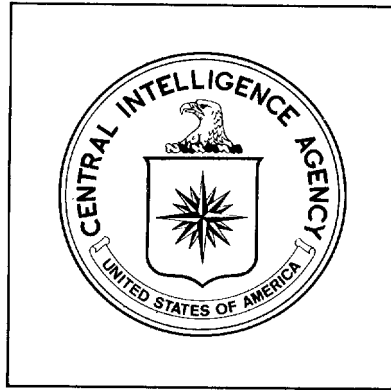


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This publication is prepared for regional specialists in the Washington community by the USSR - Eastern Europe Division, Office of Current Intelligence, with occasional contributions from other offices within the Directorate of Intelligence. Comments and queries are welcome. They should be directed to the authors of the individual articles.

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USSR-Yugoslavia:
The Kremlin Innocents

On Thursday, *Pravda* ran an authoritative article that seems designed to limit the damage to Yugoslav-Soviet relations caused by the anti-cominformist campaign in Yugoslavia. The article carried the byline I. Alexandrov, a pseudonym which means that it has the imprimatur of the top Kremlin leadership.

The article is the most authoritative statement out of Moscow on the cominformist affair since the matter became a cause celebre in Yugoslavia well over a year ago.

Alexandrov uses the shopworn technique of castigating "Western circles" for meddling in Yugoslavia's affairs by supporting reactionary groups and for promoting the idea that the Soviet Union threatens Belgrade's independence. In denying these "slanders," the article even goes so far as to say the USSR does not oppose Yugoslavia's independent domestic and foreign policy.

The article also says positive things about Tito's current efforts to strengthen his party against the opponents of socialism. Alexandrov specifically mentions "coteries" and "individual renegades" who consider themselves the most "orthodox" champions of socialism--a clear reference to the cominformists. In labeling them leftist sectarian, the Soviets seem to be saying, for the first time, that not only are they not getting support from Moscow, but that they are not ideologically worthy of support.

The article was probably prompted by the new momentum in Tito's anti-cominformist campaign and by the possibility that a public trial of the cominformists will result in more evidence of Moscow's involvement. The Soviets may hope that the Alexandrov statement of non-support for the cominformists will cause Tito to forgo a public trial and otherwise de-emphasize the anti-Soviet aspects of his push for greater internal vigilance. (UNCLASSIFIED)

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East Germany Holds 16th
Central Committee Plenum

The East German party plenum on November 26-27 examined documents to be presented at next year's party congress, including drafts of the new party program, revised party statutes, economic development plans for 1976-80, and the recent East German - Soviet friendship treaty. The plenum produced no surprises, and the speakers frequently punctuated their remarks with pro-Soviet platitudes.

The Politburo report proposed that the draft documents be published in January 1976, undoubtedly in order to afford time for debate and possible revision before the final version is presented to the party congress in May. Politburo candidate member Jarowsky delivered the Politburo's report, while State Planning Commission chairman Schuerer spoke on the 1976 draft national economic plan. Jarowsky's presentation appears to be an attempt to lay to rest rumors that he was in trouble because of supply problems on the economic front.

The major theme of the Politburo's report, as expected, was proper obeisance to the new Soviet - East German friendship treaty. Once again emphasis was given to the consolidation and intensification of political and economic relations between Moscow and East Berlin, the inviolability of frontiers (with specific reference to the border between the two German states), and the special status of West Berlin. The report took a slap at Bonn by criticizing "nationalist circles and other reactionary forces, which, on the pretext of national unity, try to hinder the development of the GDR and detach it from the socialist community." The East German titular head of state, Willi Stoph, stated that "any illusions in the future about reunification and so-called intra-German relations are also doomed to failure."

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On the economic front, the regime called for top priority for improving living standards. Its aim is to increase the material and cultural standards of living through a high rate of development in production, increased efficiency, and the growth of labor productivity. The regime continues to monitor consumer desires closely. The report also noted the successful coordination of East Germany's five year plan with the five year plans of CEMA states.

The plenum discussed drafts of a revised party program and party statutes. All references to German reunification will probably be dropped from both the program and statutes. Increased emphasis will very likely be placed on the need to strengthen socialism, increase party ideopolitical work, promote *Abgrenzung* (the identity of a separate East German nationality), upgrade party membership requirements, and on a "new" East Germany. The last takes into consideration East Germany's new international status in the era of detente, Helsinki, and UN membership.

The section of the Politburo report on the development of international relations gave special prominence to the preparations for the European Communist party conference. The conference drafting commission in East Berlin was instructed to continue work on the existing draft and to "take into account the discussions thus far." The results are to be submitted to the drafting commission's next meeting in January 1976. (CONFIDENTIAL)

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USSR: Entering US Car Market in 1976

The USSR is readying its Fiat cars for sale next year in US markets along the eastern seaboard. The Satra Corporation of New York, the marketing firm that is setting up the distributorship, expects to sell 4,000 of the Soviet cars in 1976 and 6,000 to 10,000 in 1977 if models now under test meet US pollution standards.

The USSR has been modestly successful in exporting its Fiat-124, called Lada, to the West; last year, Western Europe received about 40,000 Soviet-made cars, mostly Ladas, and exports are increasing. In Western Europe, the Soviet cars are priced at less than \$3,000, below the cost of Western cars of that size. In the US, a Lada four-door sedan, bearing a price tag of about \$4,000 including a tariff of 10 percent, will be less of a bargain.
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